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5 LLC f/k/a Dalsa Barbour LLC

The Honorable Karen A. Overstreet
Chapter 11
Hearing Date: December 6, 2013
Response Date: November 29, 2013

8 UNITED STATES BANKRUPTCY COURT
9 WESTERN DISTRICT OF WASHINGTON AT SEATTLE

10 In Re

11 CLI HOLDINGS, INC. dba ALYDIAN,

12 Debtor.

CASE NO. 13-19746-KAO

13 DECLARATION OF BRYAN I.
REYHANI IN OPPOSITION TO
DEBTOR'S MOTION TO REJECT
EXECUTORY CONTRACTS

14
15 Bryan I. Reyhani declares as follows:

16 1. I am an attorney with the law firm of Reyhani Nemirovsky LLP and admitted
17 *pro hac vice* to practice before this Court (Docket No. 41). This Declaration supports
18 Bitvestment Partners LLC f/k/a Dalsa Babour LLC's ("Bitvestment's") Objection to Debtor's
19 Motion to Reject Executory Contracts. I am competent to testify and I make this Declaration
20 based upon my own personal knowledge.

21 2. Attached as Exhibit A is a true and correct copy of the Temporary Restraining
22 Order entered on November 5, 2013, by the United States District Court for the Southern
23 District of New York in Case No. 13-civ-7632.

24 3. On November 21, 2013, the District Court issued and orally read into the
25 record a second TRO ordering that CoinLab Inc. hold and retain 7,984.006735 Bitcoins. The
26 November 21, 2013 TRO has not yet been uploaded to the case docket and the transcript has

DECLARATION OF BRYAN I. REYHANI IN
OPPOSITION TO DEBTOR'S MOTION TO REJECT
EXECUTORY CONTRACTS - 1

128054.0001/5887228.1

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1 not yet been made available by the court reporter.

2 I declare under penalty of perjury under the laws of the State of Washington and the
3 United States that the foregoing is true and correct.

4 DATED this 29th day of November, 2013.

5
6 REYHANI NEMIROVSKY LLP
7 200 Park Ave., 17th Fl.
8 New York, NY 10166
9 Telephone: (212) 897-4022
10 Facsimile: (212) 897-4031
11 E-mail: bryan@rnlawfirm.com

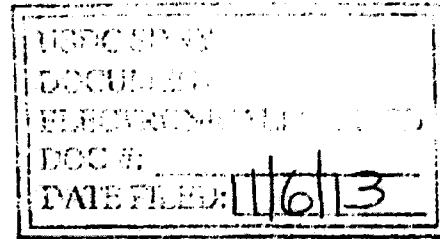
12 By /s/ Bryan I. Reyhani
13 Bryan I. Reyhani, NY No. 3006079
14 Attorneys for Bitvestment Partners LLC,
15 f/k/a Dalsa Barbour LLC, Party in Interest
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DECLARATION OF BRYAN I. REYHANI IN
OPPOSITION TO DEBTOR'S MOTION TO REJECT
EXECUTORY CONTRACTS - 2

128054.0001/5887228.1

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



-----X

BITVESTMENT PARTNERS LLC,

Plaintiff,

13 Civ. 7632 (RWS)

- against -

TEMPORARY
RESTRAINING
ORDER

COINLBA, INC., CLI HOLDINGS, INC.,
ALYDIAN, INC., PETER VESSENE and
JOHN DOE,

Defendants.

-----X

The Plaintiff filed an Order to Show Cause on October 29, 2013 seeking various restraints against Defendants pursuant to Rule 65 of the Federal Rules of Civil Procedure, which was granted, setting down the hearing on November 20, 2013 for a preliminary injunction. The parties sought and failed to reach agreement on temporary relief and the Plaintiff's application for temporary restraint based on the initial application was heard and supplemented on November 5, 2013.

Exhibit A

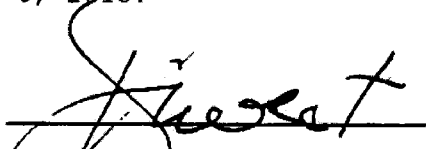
Recognizing that the Defendants CLI Holdings d/b/a Alydian Inc. filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court in the Western District of Washington State, staying this action against them pursuant to 11 U.S.C. § 362 pending further proceedings in Bankruptcy Court, upon all of the prior proceedings it is hereby ORDERED as follows:

1. Defendant CoinLab shall utilize best efforts to begin to mine and deliver bitcoins to Bitvestment pursuant to the terms of the Amended and Restated Bitcoin Services Agreement dated August 14, 2013 ("Amended Agreement");
2. Plaintiff shall receive and shall be placed first in line to receive any and all Bitcoins mined by defendant CoinLab other than those utilized by defendant CoinLab for business operating expenses and capital expenditures incurred in the ordinary course of business;
3. Defendant CoinLab is prohibited from transferring bitcoins between and/or among itself and any and all affiliates, Directors, Officers, Members of the Board of Directors and employees, other than for business operating expenses and capital expenditures incurred in the ordinary course of business;
4. The Plaintiff will post a bond in the amount of \$25,000 by 5 P.M. November 6, 2013.

New York, NY

November 5, 2013

2:40 PM


ROBERT W. SWEET
U.S.D.J.